

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP
NOVEMBER 4, 2009**

DIRECTORS PRESENT

Matt Disston, Committee Chair
Mike Safranski, Committee Member Alternate

STAFF PRESENT

Don Chadd, General Manager
Hector Ruiz, District Engineer
Sharon E. Smith, Secretary/Treasurer
Teresa Teichman, Assistant to the General Manager

PUBLIC PRESENT

No members of the public were present.

CALL MEETING TO ORDER

Committee Chair Disston called the November 4, 2009 Finance/Audit Committee Meeting to order at 7:05 a.m.

VISITOR PARTICIPATION

Public comments were announced. No comments were received.

ORAL COMMUNICATION

Oral communication was announced. No comments were received.

COMMITTEE MEMBER COMMENTS

Committee Member Alternate Safranski stated that he would be unable to attend the November 7, 2009 Special Board Workshop.

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REPORT FROM THE GENERAL MANAGER

Mr. Don Chadd, General Manager, reminded the Directors of the Municipal Water District of Orange County Water Forum and South Orange County Regional Chambers of Commerce Legislative Meet and Greet, both of which will be held on November 5, 2009.

A brief discussion took place regarding the odors emitting from Oso Reservoir, the reclaimed water reservoir owned and operated by Santa Margarita Water District.

ACTION ITEMS

ITEM NO. 1) FINANCE/AUDIT COMMITTEE MEETING RECAP

The October 20, 2009 Finance/Audit Committee Meeting Recap was presented to the Committee. No changes were made to the Recap.

Recommendation: The Committee recommended that the October 20, 2009 Finance/Audit Committee Meeting Recap be received and filed by the Board. (Consent Calendar)

ITEM NO. 2) RATIFICATION OF DIRECTORS' FEES AND EXPENSES

The Committee reviewed this matter.

Recommendation: The Committee recommended that the Board ratify the Directors' expenses for September 2009 and fees for October 2009. (Consent Calendar)

ITEM NO. 3) OTHER MATTERS

Mr. Chadd reviewed the items to be discussed at the November 7, 2009 Special Board Workshop.

ITEM NO. 4) STATUS UPDATE RELATING TO CALIFORNIA DROUGHT AND WATER CONSERVATION EFFORTS

No report was provided.

Recommendation: The Committee received and filed the status update. No action required.

ITEM NO. 5) TREASURER'S REPORT

ITEM NO. 5A) PRESENTATION OF SEPTEMBER 2009 UNAUDITED FINANCIAL STATEMENT

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Ms. Sharon Smith, Secretary/Treasurer, reviewed the September, 2009 preliminary unaudited financial statement. She reviewed the Assets and Liabilities.

Revenue is 25% collected year-to-date, and expenses are 22% of budget. Non Operating Revenue was discussed. The restricted and unrestricted property taxes are higher this fiscal year than prior year--\$110,650 compared to \$48,000. An anomaly occurred in that the principal and interest for Reassessment District No. 5-R was paid in September of 2009 and October of 2008. The Net Non Operating Income (Loss) is \$350,155 for Fiscal Year 2008/09 compared to \$244,226 for Fiscal Year 2007/08.

Mr. Chadd noted that the District will be transferring investment funds from the Bank of New York to a money market account with Morgan Stanley Smith Barney.

Recommendation: The Committee recommended that the Board receive and file the September 2009 preliminary unaudited financial statement, as presented. (Consent Calendar)

5B) BILLS FOR CONSIDERATION

The bills for consideration were presented.

Recommendation: The Committee recommended that the Board ratify payment of the November 4, 2009 bills for consideration in the amount of \$197,484.53 and October 2009 payroll in the amount of \$165,782.21, as presented. (Consent Calendar)

ADJOURNMENT

Committee Chair Disston adjourned the November 4, 2009 Finance/Audit Committee Meeting at 7:25 a.m.